

**IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

**RICE DRILLING B LLC,**  
**Plaintiff,**

**v**

**INTERNATIONAL ASSETS ADVISORY, LLC,**  
**HARBORLIGHT CAPITAL GROUP, LLC,**  
**HARBORLIGHT HOLDINGS, LLC,**  
**HARBORLIGHT CAPITAL MANAGEMENT,**  
**LLC and DEAN G. TANELLA,**  
**Defendants.**

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**MEMORANDUM ORDER of REMAND**

Rice Drilling B, LLC commenced this litigation by filing a Complaint in the Court of Common Pleas of Washington County, Pennsylvania arising out of a contract dispute. On August 21, 2013, Defendants filed a Notice of Removal to this Court pursuant to 28 U.S.C. § 1441, which asserted that this Court has subject-matter jurisdiction based solely on 28 U.S.C. § 1332(a) (diversity of citizenship). Removal was not contested.

A federal court has a duty to ensure that it may exercise subject-matter jurisdiction, even if it is not contested by the parties. *Carlsberg Resources Corp. v. Cambria Sav. and Loan Ass'n*, 554 F.2d 1254, 1256-57 (3d Cir. 1977). Numerous adverse parties in this case -- the Plaintiff, one of the Defendants, and three parties sought to be added by Defendants -- are LLCs registered in Delaware. In *Zambelli Fireworks Mfg. Co. v. Wood*, 592 F.3d 412, 419-20 (3d Cir. 2010), the Court of Appeals for the Third Circuit held:

the citizenship of an LLC is determined by the citizenship of its members. And as with partnerships, where an LLC has, as one of its members, another LLC, “the citizenship of unincorporated associations must be traced through however many layers of partners or members there may be” to determine the citizenship of the LLC.

Accordingly, on December 23, 2013, the Court ordered Defendants to provide additional information regarding the citizenship of the LLC entities.

On January 24, 2014, Defendants filed a Declaration re: Subject Matter Jurisdiction (ECF No. 26). Upon further research, Defendants now represent to the Court that the citizenship of the parties is not entirely diverse, such that this Court lacks subject-matter jurisdiction. Thus, this case was improperly removed and must be remanded.

AND NOW, this 27<sup>rd</sup> day of January, 2014, it is hereby **ORDERED, ADJUDGED, AND DECREED** that this case is **REMANDED** to the Court of Common Pleas of Washington County, Pennsylvania forthwith. The clerk shall docket this federal case closed.

BY THE COURT:

s/Terrence F. McVerry  
United States District Judge

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